STATE OF CALIFORNIA

BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: Robert Pfitzner
New Cinescope Pictures
3734 Canfield Avenue, Suite 334
Los Angeles, CA 90034

DESIST AND REFRAIN ORDER

(For violations of sections 25110 and 25401 of the California Corporations Code)

The California Corporations Commissioner finds that:

- 1. New Cinescope Pictures ("New Cinescope") is a company located at 3734 Canfield Avenue, Suite 334, Los Angeles, California 90034. New Cinescope has a web site at www.newcinescope.com/investment_opportunities. New Cinescope's web site describes "Current Investment Opportunities" in the company's motion pictures, and includes a general solicitation stating, "If you would like to participate in this high potential Film Investment offering, please complete the form." The online form seeks name and contact information.
- 2. At all relevant times herein, Robert Pfitzner ("Pfitzner") is or was an individual with a business address of 3734 Canfield Avenue, Suite 334, Los Angeles, California 90034. Robert Pfitzner is the president of New Cinescope.
- 3. On or about May 15, 2007, the Pennsylvania Securities Commission issued a Cease and Desist Order (the "Pennsylvania Order") against New Cinescope and Pfitzner. The Pennsylvania Order found that New Cinescope and Pfitzner had offered investments in a motion picture entitled "Triple JinxXx" through an internet advertisement on the web site www.newcinescope.com/investment_opportunities, in violation of the Pennsylvania Securities Act of 1972.
- 4. The Pennsylvania Order directed New Cinescope and Pfitzner, and anyone acting on their behalf, to "immediately CEASE AND DESIST from offering and selling" the investments in violation

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of the Pennsylvania Securities Act of 1972. The Pennsylvania Order was served on New Cinescope and Pfitzner.

- 5. Since at least in or about May 2007 and continuing thereafter, New Cinescope and Pfitzner have offered or sold securities in the form of investment contracts and profit-sharing agreements in motion pictures written, produced and directed by New Cinescope and Pfitzner to the general public including at least one California resident. Investments were solicited through the web site www.newcinescope.com/investment opportunities.
- 6. At least one California resident responded to the web site, and was informed by New Cinescope and Pfitzner that New Cinescope needed investors in order to direct, produce, market and distribute a motion picture entitled "Confessions of a Killer" (the "Picture").
- 7. On or about August 7, 2007, New Cinescope and Pfitzner offered the investor an \$80,000 investment in the Picture with a return of fifty percent (50%) of the Picture's net profits. The offering materials included cost, sales, distribution, revenue and profit projections for the Picture.
- 8. The offering materials also included information about New Cinescope and Pfitzner, including statements detailing their professional experience.
- 9. New Cinescope and Pfitzner offered these securities by means of written and oral communications which included untrue statements of material fact and which omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading. The omissions of material fact include that the Pennsylvania Securities Commission had recently issued a Cease and Desist Order against New Cinescope and Pfitzner directing them to immediately cease and desist from offering and selling investments in violation of the Pennsylvania Securities Act of 1972. New Cinescope and Pfitzner had knowledge of the Pennsylvania Order, as the order was served on them on or about May 18, 2007.

Based on the foregoing findings, the California Corporations Commissioner is of the opinion that New Cinescope and Pfitzner engaged in the offer and sale of securities in the form of investment contracts and profit-sharing agreements in the Picture. These securities have not been qualified under 1

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the California Corporate Securities Law of 1968, set forth at California Corporations Code section 25000 et. seq., in violation of section 25110 of the Corporations Code. Pursuant to section 25532 of the Corporations Code, New Cinescope Pictures and Robert Pfitzner are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, including but not limited to investment contracts and profit-sharing agreements in the Picture, unless and until qualification has been made under said law or unless exempt. Further, the Corporations Commissioner is of the opinion that New Cinescope and Pfitzner offered and sold securities in the form of investment contracts and profit-sharing agreements in the Picture by means of written and oral communications including untrue statements of material facts and omissions of material facts necessary to make the statements, in light of the circumstances under which they were made, not misleading, in violation of section 25401 of the California Corporations Code. Pursuant to section 25532 of the Corporations Code, New Cinescope Pictures and Robert

This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

light of the circumstances under which they were made, not misleading.

Pfitzner are hereby ordered to desist and refrain from offering or selling any security in the State of

California by means of any written or oral communication which includes an untrue statement of a

material fact, or omits to state a material fact necessary in order to make the statements made, in the

Dated: October 15, 2007 Los Angeles, California

> PRESTON DuFAUCHARD California Corporations Commissioner

By ALAN S. WEINGER **Lead Corporations Counsel Enforcement Division**